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FILE ONLY

The Ollie North Diversion

The two new Democratic-controlled congressional investigations starting next month may quickly focus on Lt. Col. Oliver North's herculean efforts to sustain the contras instead of Israelibacked Iran arms sales—much to the dismay of the Reagan administration.

The probe to be run by special prosecutor Lawrence E. Walsh is theoretically free of partisan taint. But administration officials say privately his course is likely to be influenced by the direction set by the newly formed Senate and House select committees.

That direction worries administration insiders and Republican leaders on Capitol Hill: play down arms for Iran, with its Israeli connection, and put bloodhounds on North's tracks. The hope is to turn up new sensations that can be exploited not only to kill aid for Nicaraguan contras but put the Reagan Doctrine—the U.S. offer of help to anticommunist

guerrillas around the world—on the scrapheap of history.

Going after North also is a welcome diversion from an embarrassing look into Israeli policy. "The last thing the Democrats will do is stir the Israeli pot," a White House source told us, "even if Reagan was the victim." To avoid that, congressional investigators must concentrate on allegations that North broke the law and used the services of U.S. Embassy officials to keep the contras alive.

Some evidence is already available to support White House fears that congressional Democrats want to ignore Israeli transgressions, while digging under every rock to find new dirt on Ollie North. Democratic members of the House and Senate judiciary committees made an unusual appeal to the three-judge federal panel to broaden Walsh's mandate as independent counsel.

When the Justice Department first decided the scandal needed an independent prosecutor, Attorney General Edwin Meese wanted the probelimited to the Iran arms sale and the alleged diversion of profits to the contras. The Democratic appeal 'to broaden that mandate was a surprising success.

The three-judge panel backdated the probe to 1984, instead of the 1985-1986 period Meese requested. It gave Walsh the most comprehensive mandate of any special prosecutor appointed under the 1978 Ethica in Government Act.

That certainly does not limit Walsh's freedom to investigate what the Jerusalem Post has called Israel's repeated "intervention" with the Reagan administration to keep the arms-for-hostages policy moving along, despite one disappointment aiter another.

Writing in the Dec. 19 edition of the Jerusalem newspaper, correspondent Wolf Blitzer reported what pro-Israeli congressmen and administration officials do not say out loud. "Privately," Blitzer wrote, "Israeli officials confirm the roles played by [David] Kimche and [Amiram] Nir in trying to talk the U.S. into adopting the policy."

Kimche, a former deputy director of Israel's Mossad intelligence agency, was director of the Foreign Ministry. Nir, antiterrorist adviser to then-prime minister Shimon Peres: was used by Peres last winter to replace Israeli middlemen who had arranged the original arms sale.

But the strong desire of Democrats controlling the select committees not to uncover new embarrassments for Israel, plus the independent prosecutor's broadened mandate, points the three-legged probe away from this reg peated pattern of Israeli involvement.

The real Democratic targets will be alleged violations of the Boland Amendment, which banned all military aid to the contras until it expired last October. The congressional investigators will go after North's allied who were trying desperately, under formidable circumstances, to sustain the contras with a resupply operation. That will include some officials in U.S. embassies in Central America.

The objective of channeling their investigations into those areas is obvious: create such hostility for the president's policy that Congress will never again approve funds for any more military aid to the contras—or any anticommunist guerrillas.

"They'll be looking for indictments under the Boland Amendment," a highly placed Republican House mention ber told us. That would ignore Israel's important part in selling Reagan on the Iran arms deal, he said, "and they've probably got the power to do it their way." It is a diversion that profoundly affects this nation's foreign policy and domestic politics.

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